



United States Attorney District of Maryland

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OWNER OF COMPUTECH, INC. PLEADS GUILTY TO TAX EVASION

GREENBELT, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced that Leon Chen, age 43, of Silver Spring, Maryland pled guilty today to tax evasion for the tax year 1997.

Chen owns and operates "Computech, Inc." (a/k/a "Computech Integration and Trade, Inc.) located at 10979 Baltimore Avenue, Beltsville, Maryland. Computech is a retail store which sells and services new and used computers and computer related equipment.

In a statement of facts provided to the court as part of the plea agreement, Chen admitted that during the years 1994 through1997 he reported income, primarily from Computech, in excess of \$196,144. However, during the same time period Chen had additional unreported income generated from cash sales at Computech. On April 15, 1998 Chen attempted to evade a portion of his income tax by preparing and signing a false IRS Form 1040 which stated that his taxable income for the 1997 calender year was \$61,845 and the amount of tax due was \$11,955. However, Chen knew his taxable income for the 1997 calender year was \$407,895 upon which \$123,882.30 in taxes was owed.

Chen faces a maximum sentence of 5 years imprisonment followed by up to 3 years supervised release and a \$100,000 fine. Additionally, Chen will have to pay all back taxes, interest and penalties to the IRS. United States District Judge Peter J. Messitte has scheduled sentencing for January 13, 2004. This case was investigated by the Internal Revenue Service - Criminal Investigation and the Federal Bureau of Investigation, and is prosecuted by Assistant U.S. Attorneys Odessa P. Jackson and Gina L. Simms.